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2 UNITED STATES BANKRUPTCY COURT

3 SOUTHERN DISTRICT OF NEW YORK

4 Case No. 08-13555 (JMP)

6 | In the Matter of:

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8 LEHMAN BROTHERS HOLDINGS INC., et al.,

9

10 | Debtors.

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14 U.S. Bankruptcy Court

15 | One Bowling Green

16 | New York, New York

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18 | September 1, 2010

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22 | B E F O R E :

23 HON. JAMES M. PECK

24 U. S. BANKRUPTCY JUDGE

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2 HEARING re Motion of Lehman Brothers Holdings Inc. Pursuant to
3 Section 362 of the Bankruptcy Code for Enforcement of the
4 Automatic Stay with Respect to the UK Pension Proceedings
5 [Docket No. 10834]

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7 HEARING re Debtors' Twenty-Eighth Omnibus Objection to Claims
8 (Valued Derivative Claims) [Docket No. 9983]

9

10 HEARING re Debtors' Twenty-Ninth Omnibus Objection to Claims
11 (No Blocking Number LPS Claims) [Docket No. 10280]

12

13 HEARING re Debtors' Thirtieth Omnibus Objection to Claims (No
14 Debtor Claims) [Docket No. 10281]

15

16 HEARING re Debtors' Thirty-First Omnibus Objection to Claims
17 (Insufficient Documentation Claims) [Docket No. 10282]

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19 HEARING re Debtors' Thirty-Second Omnibus Objection to Claims
20 (Amended and Superseded Claims) [Docket No. 10283]

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22 HEARING re Debtors' Thirty-Third Omnibus Objection to Claims
23 (Duplicative Claims) [Docket No. 10284]

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2 HEARING re Debtors' Thirty-Fourth Omnibus Objection to Claims
3 (Misclassified Claims) [Docket No. 10286]

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5 HEARING re First Motion of Mark Glasser to Extend Time for
6 Claim [Docket No. 6386]

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1 P R O C E E D I N G S

2 THE COURT: Good afternoon. Be seated, please.

3 MR. GOLDBERG: Good afternoon, Your Honor.

4 THE COURT: Good afternoon.

5 MR. GOLDBERG: Lee Goldberg, Weil, Gotshal & Manges,
6 for the Chapter 11 debtors.7 Your Honor, we have submitted an agenda yesterday, and
8 if it pleases Your Honor, we would propose going forward with
9 the matters in the order they're set forth on --

10 THE COURT: That's fine.

11 MR. GOLDBERG: -- on the agenda. Your Honor, we're
12 before you today seeking approval of a stipulation entered into
13 by LBHI and various other parties that I will explain to the
14 Court in a few moments. Just for the -- for ease of reference,
15 I have a copy if the Court would --

16 THE COURT: Oh, I'd like to see it. Thanks.

17 (Pause)

18 THE COURT: I have it, but you can proceed.

19 MR. GOLDBERG: Okay. Your Honor, this stipulation was
20 filed at docket number 11042 and resolves a motion seeking
21 enforcement of the automatic stay. Just to give some
22 background into why we're before you today and the relief we
23 were seeking through the motion and what now we have resolved
24 through the stipulation, I'd like to explain how this matter
25 came to the debtors' attention and eventually how we ended up

1 in front of you today.

2 Your Honor, the U.K. -- United Kingdom employees are
3 under a pension plan in the United Kingdom, as exists in many,
4 many companies in this country. Lehman Brothers was no
5 exception. And the various Lehman entities in the United
6 Kingdom had employees that fell under a pension plan, which is
7 known as a pension scheme.

8 Your Honor, the primary employer under this scheme was
9 a Lehman affiliate of the Chapter 11 debtors, Lehman Brothers
10 Limited, and it had approximately 2,700 employees who were
11 covered by the scheme. These employees worked for Lehman
12 Brothers Limited, but they also were secunded to various other
13 entities, including in large part LIBI and LBEL (sic), among
14 others. There were maybe a de minimis number of employees who
15 were secunded to LBHI's U.K. branch, but there were actual
16 LBI -- LBHI employees who fell under or recovered by this
17 pension scheme.

18 Your Honor, the other players involved here, who are
19 actually represented in the courtroom today, are the trustees
20 of the scheme, and they oversee the scheme, they oversee its
21 assets. And also a private protection fund, which is a U.K.
22 entity that is similar to a component of our Pension Benefit
23 Guaranty Corporation in that it steps in when schemes -- when
24 pension schemes are unable to meet their benefit obligations to
25 members of those schemes. That is, as I mentioned, privately

1 funded. However, there's also a governmental entity, known as
2 the Pensions Regulator, which performs the regulatory functions
3 of the Pension Benefit Guaranty Corporation. So it's kind of
4 bifurcated in the United Kingdom, the -- what our Pension
5 Benefit Guaranty Corporation does, into two separate parts, one
6 of which is private and one is public.

7 I'd also like to mention at this point that the
8 trustees of the pension fund and -- the trustees of the pension
9 scheme, rather, and the pension protection fund did file claims
10 in this case and have submitted to this Court's equitable
11 jurisdiction by doing so.

12 Your Honor, when Lehman Brothers entered bankruptcy in
13 September 2010, in the United Kingdom that triggered a payment
14 obligation due from Lehman Brothers Limited to the scheme
15 itself, and this liability has been estimated to be between
16 150- and 300 million pounds. That's currently still being
17 calculated, and we're not quite sure where it is yet, but it
18 will end up somewhere in that range, more likely towards the
19 high end, we believe.

20 Your Honor, on June 1st, 2010, LBHI and seventy-two of
21 its nondebtor affiliates, mostly in the United Kingdom,
22 received what's known as a warning notice. A warning notice
23 started U.K. administrative proceedings under which ultimately
24 it would be decided whether the -- whether LBHI and the other
25 seventy-two of its affiliates would be required to provide

1 financial support to the pension scheme. Providing financial
2 support would consist of putting together a plan, which would
3 have to be approved by the regulator, of how the scheme -- how
4 essentially LBHI and its affiliates would make up for this
5 funding shortfall, or at least make up enough of the funding
6 shortfall so that it was more than what the private pension
7 protection fund would have to pay to the members.

8 Your Honor, we received this warning notice on, as I
9 said, June 1st, 2010. The deadline for responding to the
10 warning notice was a mere three weeks later. And we felt at
11 that point that LBHI was faced with two options, neither of
12 which was particularly appealing: One option was to come
13 immediately into this court and move to enforce the automatic
14 stay; and the other option was to participate in the
15 proceedings and basically ignore the automatic-stay issue. And
16 for the following reasons we didn't think that made sense:

17 First, coming in to enforce the stay certainly would
18 have had applicability to the trustees and the pension
19 protection fund, because they filed claims and are subject to
20 Your Honor's jurisdiction. However, the regulator did not file
21 a claim and, as I'll discuss later on, jurisdiction has been
22 probably the main sticking point in our negotiations with the
23 regulator.

24 Your Honor, recently the bankruptcy court for the
25 District of Delaware decided -- or issued a decision in the

1 Nortel case that relates to very similar proceedings. It's
2 the -- basically the same proceeding; it's just involving the
3 Nortel debtors. The Nortel U.S. debtors were able to obtain an
4 opinion -- an order and an opinion from the bankruptcy court in
5 Delaware, stating that the proceedings were a violation of the
6 automatic stay and enjoining the two claimants which were also
7 there, the trustees of the scheme and the pension protection
8 fund, from participating.

9 Those entities did not participate in the proceedings
10 in the United Kingdom. However, the regulator did to along --
11 did continue on with the proceedings and adjudicated rights
12 with respect to the Nortel U.S. debtors, who refrained from
13 participation altogether.

14 THE COURT: I don't mean to break into your
15 presentation, Mr. Goldberg, but I read the papers; I'm familiar
16 generally with the Nortel case. If what you have here is a
17 stipulation in effect resolving all these issues, do I need all
18 this background, or do I just simply want to know what I'm
19 being asked to approve and how this stipulation came about with
20 whatever rights are being reserved on the part of --

21 MR. GOLDBERG: Okay.

22 THE COURT: -- Mr. Kornberg's claim? I see Mr.
23 Kornberg there, so I know he's at least here. Whether or not
24 his client is here is another story.

25 MR. GOLDBERG: Okay, I was --

1 THE COURT: I don't mean to interrupt your flow, but
2 I'm just trying to understand why I need to know about the
3 Nortel case any more than I already know about it.

4 MR. GOLDBERG: Okay. Your Honor, respectfully, I'll
5 just continue on to the actual stipulation.

6 THE COURT: That would be good.

7 MR. GOLDBERG: Okay. So getting to the stipulation,
8 the parties did attempt to -- in light of the fact that neither
9 of those options was palatable to the parties -- to LBHI,
10 rather, LBHI engaged all three of the other parties in
11 negotiations, because LBHI felt like it was in the best
12 interest of the estate to participate in the proceedings fully
13 in the United Kingdom. It would be -- LBHI would be able to
14 protect its rights against other parties, against its
15 affiliates and against the regulator. And also it would
16 relieve the Court -- this Court from having to hear a dispute
17 related to U.K. pension law, which seemed like it was better to
18 be decided, or at least the claim liquidated, in the United
19 Kingdom.

20 So what this stipulation seeks to do is -- the claim
21 will be liquidated in the United Kingdom. And prior to any
22 enforcement action being taken, the trustees of the pension
23 scheme and the pension protection fund have agreed to come into
24 this court and obtain an order either seeking relief from the
25 automatic stay or modification of the automatic stay, or,

1 alternatively, a determination that the automatic stay does not
2 apply to these proceedings. And those entities would not be
3 able to take any action -- any enforcement action against LBHI
4 or its estate or its property in the United Kingdom until such
5 time as an order came from this Court granting such relief for
6 making such --

7 THE COURT: To what extent, if at all, does the
8 stipulation have any impact on the proofs of claim that have
9 been filed?

10 MR. GOLDBERG: Your Honor, the only impact that LBHI
11 believes the stipulation has is that it enables the
12 underlying -- the claims were filed as contingent and
13 unliquidated, and so the stipulation enables the claims to be
14 liquidated but in the United Kingdom. It's a highly
15 specialized tribunal that hears these disputes and works
16 through literally reams of evidence to try to figure out what
17 the liabilities are in total, how they should be allocated
18 amongst various affiliates.

19 And we have actually engaged a Queen's Counsel in the
20 United Kingdom to assist us with this process. It's a fairly
21 new law as it is, it's from 2004, and there haven't been that
22 many cases. Nortel is one of just a handful that have been
23 prosecuted under this new law.

24 Your Honor, as to -- you mentioned Mr. Kornberg, who
25 represents the regulator. And as to the regulator, except for

1 purposes of enforcement of this stipulation, it has not
2 submitted to this Court's jurisdiction for any other purpose,
3 and it expressly --

4 THE COURT: That's why I mentioned that I see Mr.
5 Kornberg, but I don't see his client.

6 MR. GOLDBERG: And it expressly refused to do so.

7 So in what LBHI believes was a superb compromise with
8 the regulator, the regulator has agreed to go through all the
9 procedural steps in the United Kingdom before taking any
10 enforcement action and then, prior to taking any enforcement
11 action, to give LBHI sixty days' notice. This is not required
12 under the statute, Your Honor. And therefore LBHI believes
13 that that agreement is a very good outcome for both sides,
14 because it gives LBHI the opportunity to come to this courtroom
15 again and, rather than discussing jurisdiction, sovereign
16 immunity, issues like that with you now, where no enforcement
17 action is being taken and no enforcement action is even being
18 threatened, wait until that happens and then come back into
19 this courtroom, which we'll have the opportunity to do during
20 the sixty-day period.

21 Your Honor, the other reason for entering into the
22 stipulation -- and, Your Honor, I'd like to just add one point
23 in that the parties have reserved all of their rights --
24 preserved all of their argument and reserved all of their
25 rights as to the automatic stay. As I mentioned earlier, there

1 was disagreement about whether the automatic stay's even
2 applicable to these proceedings. That's all been preserved.
3 And we're basically at a point where the status quo exists but
4 for the fact that the claim will be liquidated in the United
5 Kingdom, in this specialized tribunal -- in front of the
6 specialized tribunal.

7 But, Your Honor, the other reason for filing the
8 stipulation, and the reason that we seek the Court's approval
9 of this stipulation is that when such -- when and if such
10 eventuality occurs, we want to be very clear that LBHI has
11 waived none of its rights with respect to the automatic stay
12 and that no one can come into this courtroom and say 'Wait a
13 second, what were you doing a few years ago when this came up?'
14 And that's why we've filed this stipulation, so we can put on
15 the record that LBHI does in fact reserve all of its rights to
16 the automatic stay and, if such time that LBHI feels it needs
17 to take action to protect its rights and its estate, LBHI may
18 do so without any waiver argument being made against it.

19 THE COURT: Okay.

20 Mr. Fail, do you wish to be heard?

21 MR. FAIL: Your Honor, Garrett Fail, Weil Gotshal,
22 with just one point of clarification, I think, in response to
23 Your Honor's question regarding is there any impact on a proof
24 of claim. Ultimately, this Court will decide the allowability
25 of all claims, including the claims filed by the pension

1 protection fund and by the trustees. And this Court has
2 jurisdiction over any settlements, if there to be any, over
3 that.

4 THE COURT: So, essentially this is a stipulation
5 permitting the claim to be liquidated in an amount, in the
6 U.K., with everybody reserving all of their rights?

7 MR. FAIL: Correct, Your Honor. Thank you.

8 THE COURT: Okay.

9 Mr. Kornberg?

10 MR. KORNBERG: Good afternoon, Your Honor. Alan
11 Kornberg and Arina and Popova, of Paul, Weiss, Rifkind, Wharton
12 & Garrison, for the Pensions Regulator.

13 As the stipulation makes clear, and as Mr. Goldberg
14 observed, and I think as Your Honor observed, the Pensions
15 Regulator does not consent to the jurisdiction of this Court.
16 And we appear here today only in connection with the
17 stipulation. It is the regulator's firm view that this Court
18 does not have personal jurisdiction over it; that the regulator
19 is immune from suit in this Court under the Foreign Sovereign
20 Immunities Act and other applicable law; and that the regulator
21 is not even properly served with the debtors' motion to enforce
22 the automatic stay.

23 If the debtor were to proceed with its motion, the
24 regulator would press these positions, and I suppose Your Honor
25 would have to rule on them. But as has been described by Mr.

1 Goldberg, reason prevailed, and the parties arrived at what we
2 think is a very sensible approach to permit the U.K.
3 proceedings to continue to liquidate the scheme's claims.

4 It was critical to the regulator's agreement to the
5 stipulation -- and I should add, Your Honor, the regulator has
6 never done anything like this before -- but it was critical to
7 its decision that the parties acknowledge and the Court order
8 that the regulator has fully reserved its jurisdictional and
9 other defenses and that the regulator consents to the
10 jurisdiction of the Court solely for purposes of enforcing this
11 stipulation and for no other purpose.

12 And since the stipulation is explicit on that point,
13 and since debtors' counsel has also described that point on the
14 record, the regulator is fully supportive of the stipulation's
15 approval by the Court.

16 THE COURT: Fine.

17 MR. KORNBERG: Thank you.

18 THE COURT: I realize this wasn't the reason you stood
19 up, because that was a very thorough reservation of all rights
20 that you could think of. But just as a point of information,
21 do you have a sense as to what the process will be in the U.K.
22 to liquidate these claims, how long that is likely to take, and
23 whether there is any foreseeable involvement of this Court in
24 connection with those activities?

25 MR. KORNBERG: Your Honor, let me make an obvious

1 point. I am not a pensions expert, domestic or foreign. Those
2 proceedings are well underway. Briefing is in the process of
3 occurring. I think the regulator does want to proceed quickly;
4 that's actually been a source of some contention between the
5 parties, but it is underway. I know that LBHI does have
6 certain appellate rights under U.K. law and, whether they need
7 to be exercised here, who knows?

8 The process is, as I understand it, designed to try
9 and forge an agreement on the liquidation of the claim and
10 allocation of liability. So that process, I'm sure, will take
11 place here. I do not believe that this Court, however, would
12 need to have any role in that process. The regulator and, we
13 think, the debtor, frankly, quite unlike the Nortel
14 situation -- and I think this is quite different, because LBHI,
15 I think, sensibly came to the view that a specialized tribunal,
16 particularly one applying foreign law, was probably the best
17 place in which to get a speedy resolution concerning the amount
18 of these claims.

19 So I do not believe there would be a need for any
20 involvement of this Court. And, again, I think the process is
21 underway, and the regulator is certainly committed to conduct
22 it promptly and efficiently.

23 Okay. Thank you.

24 MR. KORNBERG: Thank you, Your Honor.

25 THE COURT: Is there anyone else who wishes to be

1 heard on this?

2 MR. O'DONNELL: Your Honor, Dennis O'Donnell, Milbank,
3 Tweed, Hadley & McCloy. We filed --

4 THE COURT: You just jumped in front of somebody, but
5 I'm sure you didn't see what you did. It's okay. I just -- I
6 could -- it was like I was watching an accident about to
7 happen, but it didn't happen.

8 MR. O'DONNELL: Well, whoever was behind me can come
9 after me.

10 The -- we did file a statement in support because we
11 were prepared to support the debtors in seeking the relief they
12 were seeking in the motion, and believe that the stipulation is
13 a reasonable resolution of the dispute over that motion.
14 Reservation -- the reservations of rights, as you observed,
15 overly broad and leave everyone where they were and hopefully
16 will allow a process to unfold that will result in either a
17 consensual or some kind of administrative or judicial
18 resolution of this issue.

19 THE COURT: Okay.

20 MS. ZELINSKY: Good afternoon, Your Honor. Marina
21 Zelinsky, Willkie Farr & Gallagher, on behalf of the trustees
22 of the Lehman Brothers pension scheme and the pension
23 protection fund.

24 Your Honor, just a few quick points that I would like
25 to clarify. As Mr. Goldberg had said, all parties have

1 reserved their rights on the applicability of the automatic
2 stay and any arguments about the waiver of the automatic stay
3 as well. That's all explicitly stated in the stipulation.

4 Your Honor raised a question about the effect of the
5 stipulation on the proofs of claims that were filed. And with
6 respect to that, I just would like to clarify that the proofs
7 of claim assert three different bases of liability, one of
8 which is affected by the U.K. proceedings. So with respect to
9 that one basis of liability, the U.K. proceedings will be the
10 venue in which that claim will be liquidated.

11 With respect to the other bases of liability, that is
12 not affected by the stipulation or the automatic-stay issues
13 that have been raised.

14 THE COURT: Okay.

15 MS. ZELINSKY: Thank you, Your Honor.

16 THE COURT: Well, it's completely consensual and all
17 rights are reserved, and I consider it a reasonable way to
18 resolve what would have been a somewhat cumbersome contested
19 matter involving disputed jurisdictions, disputed issues of
20 law, and I think this is a very fine and expedient resolution.
21 So it's approved.

22 MR. GOLDBERG: Thank you, Your Honor.

23 THE COURT: So you have an order? Why don't you give
24 it to my clerk.

25 MR. GOLDBERG: Your Honor, my colleague Mark Bernstein

1 will now take the podium to continue.

2 THE COURT: Okay, and everyone who wants to leave on
3 account of the approval of the stipulation is free to do so.

4 UNIDENTIFIED SPEAKER: Thank you, Your Honor.

5 MR. BERNSTEIN: Good afternoon, Your Honor. Mark
6 Bernstein from Weil, Gotshal & Manges, on behalf of the Lehman
7 Chapter 11 debtors.

8 The next seven items on the agenda are a series of
9 omnibus claims objections, each of which is going forward today
10 on an uncontested basis. These omnibus objections seek to
11 either expunge claims for the failure to comply with the
12 Bankruptcy Code, Bankruptcy Rules or the bar date order; reduce
13 and allow certain derivative contract claims; and reclassify
14 certain claims and general unsecured claims.

15 I'd like to point out that my colleague Erin Eckols is
16 appearing telephonically today and she's available to answer
17 any specific questions that the Court may have about these
18 motions.

19 THE COURT: Okay.

20 MR. BERNSTEIN: Specifically before the Court today is
21 omnibus objection number 28, which seeks to reduce and allow
22 the claim amounts of certain claims based on derivative
23 contracts, to an amount which the debtors believe is the
24 correct amount calculated under the contract.

25 Omnibus objection number 29 seeks to expunge claims

1 that did not including a blocking number on the claim form. As
2 Your Honor may recall, the blocking numbers were a specific
3 provision included in the Lehman program securities alternative
4 claims filing procedures and were required for the debtors to
5 be able to verify ownership and avoid duplicate claims being
6 filed based on the same securities.

7 Omnibus objection number 30 seeks to expunge claims
8 that did not identify a debtor or a case number on the proof-
9 of-claim form, as required.

10 Omnibus objection number 31 seeks to expunge claims
11 for failing to provide supporting documentation or an excuse or
12 a reason why they did not have such supporting documentation,
13 as is required by the bar date order and also Bankruptcy Rule
14 3001(c).

15 Omnibus objection 32 and 33 are similar to prior
16 omnibus objections heard in this case, seeking to expunge
17 claims which have been either amended or superseded by
18 subsequently filed claims or duplicates, either actual
19 duplicates or substantive duplicates, of other claims that
20 remain on the register.

21 And omnibus objection number 34 seeks to reclassify
22 claims that were filed as secured claims as general unsecured
23 claims.

24 Your Honor, with respect to these omnibus objections,
25 the debtors received various responses from creditors with

1 respect to most of these omnibus objections. In all cases, the
2 debtors have either reached out to these creditors and resolved
3 those objections -- or those responses, or have adjourned the
4 objection with respect to those claims until a subsequent
5 hearing.

6 THE COURT: As to --

7 MR. BERNSTEIN: Therefore, as a result, we're going
8 forward on an uncontested basis.

9 THE COURT: Understood. We noted a couple of names in
10 respect of omnibus objection 31, and two names in particular
11 that were not listed in the responses-received list. And we
12 just want to clarify -- we don't have to burden the record with
13 this -- that these names are going to be included in the
14 matters adjourned to another hearing.

15 MR. BERNSTEIN: To the extent there were responses
16 received, if they were not included on the agenda, we do agree
17 to adjourn those to a subsequent hearing.

18 THE COURT: Okay. Fine.

19 MR. BERNSTEIN: With respect to all claims for which
20 the objections are going forward, notice was provided to the
21 creditors, and no responses -- or no formal responses were
22 received. Therefore, for the reasons set forth in the motions,
23 we respectfully request that the motions be granted.

24 I have forms of the orders to hand up to Your Honor,
25 and I can do that after the hearing. The only changes to the

1 orders from those attached to the motions are changes to
2 reflect the fact that certain of the claims are being
3 adjourned -- the objection of certain of the claims are being
4 adjourned, and the objections of certain claims are being
5 withdrawn, for those claims shouldn't have been included on the
6 omnibus objection in the first place.

7 With respect to the order for omnibus objection number
8 34, which is the omnibus objection to reclassified claims,
9 there is one substantive change to the order. We did -- we
10 will add language that provides that, notwithstanding the
11 reclassification of the claim to an unsecured claim, the rights
12 of a party -- those creditors to assert a valid right of setoff
13 is preserved, and the debtors' right to object to that right of
14 setoff is also reserved at this point.

15 THE COURT: Are you in effect seeking what amounts to
16 a blanket approval of all of these now uncontested omnibus-
17 objection-to-claim motions through item number 8 on your
18 agenda?

19 MR. BERNSTEIN: Yes.

20 THE COURT: Okay. There's no reason to burden the
21 record with colloquy. All of those objections are granted as
22 uncontested. And to the extent that there is a contest, or
23 particularly as it relates to the fairly extensive list of
24 parties who have responded to the insufficient-documentation
25 objection, which is omnibus objection number 31, the

1 understanding is that all of those are being adjourned; I
2 believe, in that instance it's being adjourned to October 27.

3 MR. BERNSTEIN: Correct.

4 THE COURT: Okay. Fine. Otherwise, it's approved as
5 uncontested.

6 MR. BERNSTEIN: Thank you, Your Honor. The last item
7 on the agenda is the first motion of Mark Glasser to extend
8 time for his claim. This motion was heard and argued before
9 this Court at the April 20th hearing. At that time, Your Honor
10 found that Mr. Glasser had failed to demonstrate cause for
11 relief from the bar date order, consistent with the applicable
12 precedent in the Second Circuit. But the Court offered Mr.
13 Glasser an opportunity to request an evidentiary hearing to
14 establish that he was, I guess, unaware of the bar date or to
15 establish excusable neglect.

16 Mr. Glasser did file a notice requesting an
17 evidentiary hearing, and Mr. Glasser and his counsel are here
18 today. At this point, unless Your Honor has any questions for
19 the debtors, I propose to turn the podium over to Mr. Glasser's
20 counsel

21 THE COURT: All right.

22 MR. GRAIFMAN: Thank you, Mr. Bernstein.

23 Good morning -- good afternoon, Your Honor. Brian
24 Graifman, Gusrae, Kaplan, Bruno & Nusbaum, for Mr. Glasser.

25 I was here sitting with Mr. Glasser but a few minutes

1 ago. On the way here today, he kind of looked like he changed
2 physically and didn't really look well to me, but I didn't say
3 anything. But a moment ago as we were sitting here, he told me
4 he was having trouble breathing and he just had bypass surgery
5 recently, and he just called his cardiologist and jumped in a
6 car to go over there. So we were looking forward to, and
7 prepared to, make our presentation today, but -- a few minutes
8 ago, but this is what -- I'd like to see if we could seek a
9 very short adjournment till the next available date, if
10 possible.

11 THE COURT: This can be adjourned to the next claims
12 objection date; I'm not sure when that is. Do you know?

13 MR. BERNSTEIN: I believe it's October 27th, Your
14 Honor.

15 THE COURT: Fine. So I hope your client is feeling
16 better and that October 27 will be a convenient time for us to
17 hear this matter.

18 MR. GRAIFMAN: Thank you very much, Your Honor.

19 Thank you, Mr. Bernstein.

20 THE COURT: Fine.

21 We're otherwise adjourned.

22 MR. BERNSTEIN: Thank you.

23 (Proceedings concluded at 2:32 PM)

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25	to Claims (Amended and Superseded Claims)		

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2 C E R T I F I C A T I O N

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4 I, Clara Rubin, certify that the foregoing transcript is a true
5 and accurate record of the proceedings.

6

7 _____

8 Clara Rubin

9 AAERT Certified Electronic Transcriber (CET**D-491)

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11 Veritext

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16 Date: September 2, 2010

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